

Airport takeoff and landing slot auctions increase costs to passengers while also creating a perverse economic incentive for government to restrict capacity. The goal should be to move as many people as possible as cheaply as possible within capacity constraints. The solution can be quite simple: within a fixed number of takeoff and landing slots, every calendar quarter take the bottom 5% of flights that moved the fewest people and open up those slots to new applicants. This creates a great incentive for airlines to use bigger planes and keep them full with cheaper fares. (To prevent the bottom 5% from always being the earliest and latest off-peak flights, you may want to take the bottom 5% from each hour of the day to spread the new flights across the day)

If you would like to discuss details, please email me at tgattis@stewartresearch.com or call.

Thank you for your consideration,

-Tory Gattis

Houston-based frequent-flyer